**Opening Statement of Chairman Tom Davis**
**Committee on Government Reform**
**"The Last Frontier:  Bringing the**
**Information Technology Revolution to Healthcare"**
**September 29, 2005**

Millions of Americans are nearing retirement and will become greater consumers of health care over the coming years.  Innovations are helping people live longer and healthier lives.

In recent years, information technology has brought great advances in quality, efficiency and cost savings to almost all sectors of our economy.  It has been the driver of the American economy.

The Government Reform Committee has worked to ensure that the Federal Government has access to the latest technology at the lowest possible cost, to bring the innovations of the private sector to the public sector.  We have witnessed the improvements in government services that come from harnessing the power of information technology.  Until now, however, the health-care industry has failed to embrace technology -- technology that could dramatically improve the quality of health care and reduce cost.

We live in a world of IT systems that handle millions of transactions daily in real-time.  We interface with them quickly and they process our requests efficiently and accurately.  We do this when we transfer money, buy gas, or shop online.  It is routine.

But the routine in healthcare is different.  It is primarily a paper-based system of disconnected records and files in multiple locations.

Doctors continue to write billions of handwritten prescriptions every year, a significant portion of which are illegible, or involve incorrect or incompatible drugs. According to one survey, only 15 percent of physicians are using electronic prescribing systems, and only 3 percent of prescriptions are processed electronically.  Computerized order-entry systems coupled with electronic health records offer enormous potential.

A more troubling routine is a health-care system in which the Institute of Medicine reports that around 50,000 to 100,000 Americans die every year due to medical errors.  A modern IT based system could cut errors dramatically.  One can argue that hospitals, doctors, insurance companies and the government are endangering lives by moving too slowly in adopting electronic health records.  There is a direct link, in my view, between health IT and health care quality and safety.

As we have seen recently with Hurricane Katrina, physicians are often our "second" responders.  They should have the support of the same sophisticated IT systems

as our first responders, enabling them to respond to a crisis quickly, to retrieve and share the critical records and information that they need to save lives.

I hope we can bring a sense of urgency to this issue. The recent events surrounding Hurricane Katrina highlight the need for accessible, accurate medical records and medical information. I am particularly interested in VHA's experience during this period.

I hope the system we create will help us share information quickly, efficiently and securely -- which is something I have been pushing the federal government to do in all aspects of its operations. I believe we can enhance patient care by providing every medical professional with instant access to life-saving information. With the information technology available to us today, we can no longer accept injury or death because of preventable errors.

Efforts to convert to electronic health records have met some resistance, however. Many stakeholders have been slow to see the long-term benefits that upfront investments in new technology could bring. Small providers could be asked to bear burdens that benefit others initially. Fewer than one in four doctors currently enter information into an electronic health record.

There will be other challenges as we move from a paper-based system. Many hospitals and doctor's offices are still lacking in information security, physical security and privacy protection practices that will be needed with electronic health records. But we have faced these challenges before.

On this committee, we work constantly to bring the best private sector practices and procedures to the federal government, to encourage information sharing, to ensure information security, and encourage the efficient use of the latest information technology. Each of these priorities is relevant to the health IT debate.

The health care industry is a fragmented and complicated marketplace. We need to exercise caution when we are asked to step in with regulations and mandates. I am interested in learning what level of governmental -- including Congressional -- action is warranted.

We have seen a lot of action recently on health IT legislation, and we have a unique opportunity. Many issues on Capitol Hill can be divisive, but there appears to be broad bipartisan support for health technology. Of course, anytime you propose dramatic changes that affect such a broad community, challenges will arise. I hope we can continue to work together to solve them and move toward the ambitious goals we have set.

The purpose of this hearing is to the highlight the challenges and opportunities that will come with the widespread adoption of health information technology. The principles driving health IT are the same principles the Committee pushes government-

wide: bringing the best information technology, policies, and practices to the government at the lowest possible cost. It is a goal I will continue to support.